

Message Text

LIMITED OFFICIAL USE

PAGE 01 KABUL 04996 030539Z

10

ACTION EB-07

INFO OCT-01 NEA-10 ISO-00 FEA-01 AGR-05 CEA-01 CIAE-00

COME-00 DODE-00 FRB-03 H-02 INR-07 INT-05 L-03 LAB-04

NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15 STR-04

TAR-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01 /091 W

----- 058442

R 030345Z AUG 75

FM AMEMBASSY KABUL

TO SECSTATE WASHDC 3666

LIMITED OFFICIAL USE KABUL 4996

EO 11652: NA

TAGS: ETRD, AF

SUBJECT: GOA ANNOUNCES IMPORT RESTRICTIONS

1. GOA ANNOUNCED JUNE 29 OVER KABUL RADIO IMPORT BAN ON TWENTY ITEMS OF "LUXURY AND SUPERFLUOUS" GOODS AND INCREASED TARIFFS ON THIRTY OTHER ITEMS. "KABUL TIMES", JUNE 30 STATES "THE OBJECTIVES BEHIND THE STATE'S DECISIONS IS EXPENDING OF THE HARD CURRENCY REVENUES OF THE COUNTRY IN A REASONABLE AND EFFECTIVE WAY, RESTRICTION OF UNNECESSARY EXPENDITURE, CREATION OF FAVORABLE GROUNDS FOR PROTECTION OF NATIONAL INDUSTRIES AND GROWTH OF NEW INDUSTRIES."

2. ITEMS SPECIFICALLY BANNED ARE "ALCOHOLIC AND NON-ALCOHOLIC BEVERAGES, PLYWOOD, LEATHER BOXES AND TRUNKS, PLASTIC FLOWERS, CALENDARS, CHEWING FUM, BLANKETS, CARPETS, NON-MILITARY FIREARMS (EXCEPT AIR RIFLES), HUNTING KNIVES, ASHTRAYS, HONEY, MACARONI, JUICES, POCKLES, JAMS, CONSERVES, METAL TRUNKS AND CABINETS, HANDBAGS, PLASTIC DECORATIONS AND FANCY POSTCARDS." MOST OF THESE ITEMS ARE ALREADY AVAILABLE FROM LOCAL SOURCES. NONE OF THESE ITEMS, EXCEPT FOR ALCOHOL, ARE PURCHASED IN SIGNIFICANT AMOUNTS FROM U.S. SOURCES.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 KABUL 04996 030539Z

3. AMONG THIRTY ITEMS NAMED TO HAVE INCREASED TARIFFS ARE

"VEGETABLE OIL, COTTON, RAYON AND WOOLEN TEXTILES, HOSIERY, GARMENTS, CIGARETTES, LUBRICATING OIL, SUGAR, PHARMACEUTICALS, MATCHES, CANDLES AND GLASSWARE." THE TARIFF INCREASES ARE MEANT TO "PAVE THE GROUND FOR BOTH PUBLIC AND PRIVATE SECTOR ENTERPRISES" TO PRODUCE THESE PRODUCTS.

4. SPECIAL POINT WAS MADE TO SAY THAT PURCHASE OF PRIVATE AUTOMOBILES WILL BE DISCOURAGED BY INCREASED TARIFFS, WHILE IMPORT OF USED TRUCKS WILL BE ENCOURAGED.

5. THE "THIRTY ITEMS" LISTED ARE TAKEN FROM THE OLD AFGHAN TARIFF SCHEDULE WHICH HAS IN THE LAST YEAR BEEN REVISED TO CONFORM MORE CLOSELY TO THE BRUSSELS TARIFF NOMENCLATURE. FOLLOWING THIS REVISION, THOSE THIRTY ITEMS ARE SUBDIVIDED INTO APPROXIMATELY NINETY ITEMS. IT IS NOT CLEAR HOW MANY ITEMS WILL BE COVERED OR WHEN THE NEW TARIFFS WILL BE IMPOSED. THE PROMISED DEFINITIVE LIST HAS NOT YET BEEN PUBLISHED AND WE HAVE GOOD EVIDENCE THAT IMPORTERS OF VARIOUS ITEMS ARE EXERTING FAIRLY SUCCESSFUL PRESSURE TO REMOVE THEIR PRODUCTS FROM THE LIST. THE CURRENT INDUSTRIALISTS AND THE SUPPORTERS OF PRIVATE INVESTMENT WITHIN THE GOA APPARENTLY DO NOT HAVE AS MUCH POLITICAL POWER AS THE LOBBIES OF IMPORTERS AND USERS. THE TRUCKER'S ASSOCIATION, FOR EXAMPLE, HAS APPARENTLY HAD LUBRICATING OILS REMOVED FROM THE LIST, REMOVING ANY PROTECTION FROM THE SINGLE LUBE-OIL BLENDING PLANT IN AFGHANISTAN (PARTIAL U.S. INVESTMENT), WHICH NOW PAYS A HIGHER DUTY FOR ITS BASE MATERIALS THAN A MERCHANT PAYS ON IMPORTED FINISHED PRODUCTS. SUCH PRESSURES MAY DILUTE OR ELIMINATE THE BENEFICIAL EFFECT OF THESE REGULATIONS FOR DOMESTIC PURPOSES, OR MAY EVEN PREVENT THE LAW FROM EVER BEING PROMULGATED.

6. COMMENT: WE VIEW THESE MOVES PRIMARILY AS INFANT INDUSTRY PROTECTIONISM AND OF POTENTIAL BENEFIT TO AFGHAN ECONOMY ASSUMING DOMESTIC INDUSTRIES CAN DELIVER GOODS OF REASONABLE QUALITY AND IN SUFFICIENT QUANTITY. ENCOURAGING ASPECT OF THIS ANNOUNCEMENT IS THAT MANY OF THESE ITEMS ARE TARGETED FOR PRIVATE SECTOR DEVELOPMENT. THIS COULD PROVE SHOT IN ARM FOR OFT-NEGLECTED AND OCCASIONALLY ABUSED PRIVATE SECTOR. DELAY IN PROMULGATION AND REPORTED PRESSURE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 KABUL 04996 030539Z

TACTICS, HOWEVER, MAY RENDER THESE POSSIBLE BENEFITS "INOPERATIVE".
ELIOT

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: IMPORT CONTROLS
Control Number: n/a
Copy: SINGLE
Draft Date: 03 AUG 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: SmithRJ
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975KABUL04996
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750267-1080
From: KABUL
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750886/aaaacxyh.tel
Line Count: 110
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: SmithRJ
Review Comment: n/a
Review Content Flags:
Review Date: 23 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23 APR 2003 by CunninFX>; APPROVED <25 NOV 2003 by SmithRJ>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOA ANNOUNCES IMPORT RESTRICTIONS
TAGS: ETRD, AF
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006